

**MINUTES OF THE
UTAH TAX REVIEW COMMISSION**

Friday, February 11, 2005 – 12:30 p.m. – Olmstead Room, E115, East Office Building

Members Present:

Mr. M. Keith Prescott, Chair
Mr. David Crapo, Vice Chair
Sen. Lyle W. Hillyard
Rep. Wayne Harper
Mr. Mark K. Buchi
Mr. Gary Cornia
Ms. Janis A. Dubno
Ms. Kathleen Howell
Comm. Bruce Johnson
Mr. Bruce Jones

Members Absent:

Sen. Ron Allen
Mr. Larry Barusch
Mr. Dixie Leavitt

Staff Present:

Mr. Bryant Howe, Assistant Director
Ms. Phalin L. Flowers, Legislative Secretary

Note: A list of others present and a copy of related materials can be found at www.leg.utah.gov or by contacting the committee secretary, Phalin Flowers, at 538-1032. A recording of the meeting is available from the committee secretary.

1. TRC Business

Chair Prescott called the meeting to order at 12:30 p.m.

2. Review of Selected Tax Related Legislation Pending Before the 2005 General Session of the Utah Legislature

Chair Prescott and Mr. Crapo briefly reported on their meeting with the Governor concerning the TRC (Utah Tax Review Commission).

Rep. Dougall introduced H.J.R. 12 "Resolution Eliminating Property Tax on Personal Property." He discussed the compliance burden associated with the personal property tax for small and medium-sized businesses. This constitutional amendment would exempt all personal property from the property tax.

The TRC discussed H.J.R. 12.

Mr. Neil Ashdown, Deputy Chief of Staff, Governor's Office, spoke to the TRC concerning S.B. 153 "Tax Reform Task Force." He stated that the Governor supports the TRC and also supports S.B. 153.

Mr. Howe reviewed S.B. 53 "Land Value Property Tax Study." He explained that Sen. Stephenson, the sponsor of the bill, believes that the issue of a land value tax needs a careful review by the TRC. He told the TRC that the Lincoln Institute of Land Policy, an organization with expertise in land value tax systems, may contribute to the study of land value property tax.

The TRC discussed S.B. 53.

Rep. Harper introduced H.B. 78 "Corporate Franchise and Income Tax Amendments." He explained several details of the bill and how it would change corporate franchise and income taxes.

The TRC discussed H.B. 78.

Sen. Hillyard introduced S.B. 127 "Tax, Fee, or Charge Amendments." He discussed how this bill resolves several issues associated with implementation of the Streamlined Sales and Use Tax Agreement.

The TRC discussed S.B. 127.

Mr. Howe reviewed S.B. 153 "Tax Reform Task Force." This bill creates a task force to review the recommendations of former Governor Walker's tax reform recommendations. It would also study other state and local tax issues.

The TRC discussed S.B. 153 and the proposed task force. Issues regarding the coordination of the work of the task force and the TRC were mentioned.

MOTION: Mr. Crapo moved to give Mr. Prescott permission to speak with the sponsor to discuss combining the TRC with the Tax Reform Task Force. The motion passed unanimously with Sen. Hillyard, Rep. Harper, and Comm. Johnson absent for the vote.

3. Other Business/Adjourn

Chair Prescott adjourned the meeting at 2:00 p.m.